

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION**

PROXENSE, LLC,

Plaintiff,

v.

SAMSUNG ELECTRONICS CO., LTD. and
SAMSUNG ELECTRONICS AMERICA, INC.,

Defendants.

Civil Action No.: 6:21-cv-00210-ADA

JURY TRIAL DEMANDED

ANSWER TO COMPLAINT FOR PATENT INFRINGEMENT

Defendants Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. (collectively, “Samsung” or “Defendants”) submit their Answer and Affirmative Defenses to the First Amended Complaint for Patent Infringement of Plaintiff Proxense, LLC (“Proxense” or “Plaintiff”) as follows:

NATURE OF THE CASE¹

1. Samsung admits that this action invokes the United States patent laws.

Defendants deny any remaining allegations in Paragraph 1.

THE PARTIES

2. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 2, and on that basis denies them.

3. Samsung admits that Samsung Electronics Co., Ltd. (“SEC”) is a corporation of the Republic of Korea and that it has a place of business at 129, Samsung-ro, Yeongtong-gu,

¹ Samsung adopts Proxense’s headers for clarity only. Samsung does not adopt or admit any aspects of the headers, and to the extent they contain any allegation, Samsung denies such allegations.

Suwon-si, Gyeonggi-do, 16677, Republic of Korea. Samsung denies any remaining allegations in Paragraph 3.

4. Samsung admits that Samsung Electronics America, Inc. (“SEA”) is a New York Corporation and has a principal place of business located at 85 Challenger Road, Ridgefield Park, New Jersey 07660. Samsung denies that SEA maintains a place of business in this District at 12100 Samsung Blvd., Austin, TX 78754. Samsung admits that SEA may be served with process through its registered agent, CT Corporation System, 1999 Bryan St., Ste. 900, Dallas, TX 75201. Samsung denies all remaining allegations in Paragraph 4.

5. Samsung admits that SEC designs, manufactures, and provides to the United States and other markets hardware and software products and services, including consumer electronics, mobile phones, handheld devices, tablets, laptops and other personal computers, storage devices, televisions, and electronic devices. Samsung denies all remaining allegations in Paragraph 5.

6. Samsung admits that SEA is a wholly-owned subsidiary of SEC. Samsung denies any remaining allegations in Paragraph 6, and specifically denies that it has committed any acts of infringement.

JURISDICTION AND VENUE

7. Samsung admits that this action invokes the United States patent laws. Samsung denies all allegations of patent infringement. Samsung admits that the Complaint purports to state that the Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a). For purposes of this action only, Samsung will not challenge subject matter jurisdiction. Samsung reserves the right to challenge subject matter jurisdiction in the future. Samsung denies all remaining allegations in Paragraph 7.

8. For purposes of this action only, Samsung will not challenge personal jurisdiction. Except as expressly admitted, Samsung denies the remaining allegations of paragraph 8 of the Complaint.

9. Samsung admits that SEA is registered to do business in Texas and maintains an agent for service of process in Texas. Samsung denies that SEA maintains places of business within the Western District of Texas, including at 12100 Samsung Blvd., Austin, TX 78754. Samsung denies all remaining allegations in Paragraph 9.

10. Samsung admits that retailers offer and sell Samsung products. Samsung denies all allegations of patent infringement. Samsung denies all remaining allegations in Paragraph 10.

11. Samsung denies Paragraph 11.

12. Samsung denies Paragraph 12.

13. Samsung admits that for purposes of this action only, it will not challenge venue, and denies that this is a convenient forum under, among others, the doctrine of *forum non conveniens*. Samsung denies all remaining allegations in Paragraph 13.

14. Samsung admits that for purposes of this action only, it will not challenge venue, and denies that SEA has any regular and established place of business in the Western District of Texas. Samsung denies all remaining allegations in Paragraph 14.

15. Samsung denies Paragraph 15.

16. Samsung denies Paragraph 16.

THE PATENTS-IN-SUIT

17. Samsung admits that what appears to be a copy of United States Patent No. 8,352,730 is attached as Exhibit 1 to the First Amended Complaint and that, on its face, the '730 patent is titled "Biometric Personal Data Key (PDK) Authentication," and bears an issue date of January 8, 2013. Samsung is without further knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 17 of the First Amended Complaint, and therefore denies them.

18. Samsung admits that what appears to be a copy of United States Patent No. 9,298,905 is attached as Exhibit 2 to the First Amended Complaint and that, on its face, the '905 patent is titled "Biometric Personal Data Key (PDK) Authentication," and bears an issue date of

March 26, 2016. Samsung is without further knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 18 of the First Amended Complaint, and therefore denies them.

19. Samsung admits that what appears to be a copy of United States Patent No. 10,698,989 is attached as Exhibit 3 to the First Amended Complaint and that, on its face, the '989 patent is titled "Biometric Personal Data Key (PDK) Authentication," and bears an issue date of June 30, 2020. Samsung is without further knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 19 of the First Amended Complaint, and therefore denies them.

20. Samsung admits that what appears to be a copy of United States Patent No. 9,049,188 is attached as Exhibit 4 to the First Amended Complaint and that, on its face, the '188 patent is titled "Hybrid Device Having a Personal Digital Key and Receiver-Decoder circuit and Methods of Use," and bears an issue date of June 2, 2015. Samsung is without further knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 20 of the First Amended Complaint, and therefore denies them.

21. Samsung admits that what appears to be a copy of United States Patent No. 9,235,700 is attached as Exhibit 5 to the First Amended Complaint and that, on its face, the '700 patent is titled "Hybrid Device Having a Personal Digital Key and Receiver-Decoder circuit and Methods of Use," and bears an issue date of January 12, 2016. Samsung is without further knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 21 of the First Amended Complaint, and therefore denies them.

22. To the extent that paragraph 22 sets forth conclusions of law, no response is required. To the extent a response is required, Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 22, and on that basis denies them.

23. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 23, and on that basis denies them.

24. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 24, and on that basis denies them.

FACTUAL ALLEGATIONS

I. TECHNOLOGY BACKGROUND

25. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 25 regarding global contactless transactions valuations estimates, forecasts, and mobile payments and on that basis denies them. Samsung admits that Samsung Pay launched in 2015, and was available on certain Samsung devices. Samsung does not know where the cited quote came from, and on that basis denies it. Samsung denies all remaining allegations in Paragraph 25.

26. Samsung states that the NFC communication standard speaks for itself. Samsung denies all remaining allegations in Paragraph 26.

27. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 27 regarding card issuer security requirements for contactless merchant termination adoption and on that basis denies them. Samsung denies all remaining allegations in Paragraph 27.

28. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 28 regarding Magnetic Secure Transmission and on that basis denies them. Samsung admits that SEC acquired LoopPay, but lacks knowledge regarding its claims of its merchant acceptance rate and denies the allegations of paragraph 28 on this subject. Samsung denies all remaining allegations in Paragraph 28.

II. PROXENSE AND ITS INNOVATIVE TECHNOLOGIES²

29. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 29 regarding Proxense and on that basis denies them.

² Samsung specifically denies that Proxense has any innovative technologies.

30. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 30 regarding Proxense and on that basis denies them.

31. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 31 regarding Proxense and on that basis denies them.

32. Samsung admits that Exhibit 6 appears to be an article titled “A pint-sized virtual wallet,” Andrew Moore, The Bulletin (May 7, 2008). Samsung admits that Exhibit 7 appears to be an article titled “Virtual Biometric Wallets,” by Michael Plishka, Trend Hunter (January 4, 2009). Samsung is without knowledge or information sufficient to form a belief as to the truth of the remainder of the allegations of paragraph 32 and on that basis denies them.

33. Samsung admits that Exhibit 8 appears to be an article titled “Startup May Just Digitize Your Wallet,” George V. Hulme, DARKReading (February 8, 2009). Samsung is without knowledge or information sufficient to form a belief as to the truth of the remainder of the allegations of paragraph 33 and on that basis denies them.

34. Samsung admits that Samsung Pay launched in 2015 and that Samsung’s finger print scanning on phones was introduced in 2014. Samsung is without knowledge or information sufficient to form a belief as to the truth of the remainder allegations of paragraph 34 and on that basis denies them.

35. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 35 regarding Proxense and on that basis denies them.

36. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 36 regarding Proxense and on that basis denies them.

III. INFRINGEMENT ALLEGATIONS³

1. Proxense’s Interactions with Samsung

37. Samsung admits that Exhibit A purports to be a letter, dated July 25, 2016, from Greg T. Sueoka to Mr. Thomas Ko, who is named as the VP Global Co-General Manager for

³ Samsung specifically denies it infringes any patents.

Samsung Pay at Samsung, and Mr. William Wang Graylin, who is named as the Global Co-General Manager for Samsung Pay at Samsung. Samsung admits that a list of patents, including the 730, 905, 188, and 700 patents, purports to be attached to the attached letter. Samsung denies all remaining allegations in Paragraph 37.

38. Paragraph 38 contains legal conclusions and arguments to which no response is required. To the extent a response is required, Samsung denies the allegations in paragraph 38.

39. Paragraph 39 contains legal conclusions and arguments to which no response is required. To the extent a response is required, Samsung denies the allegations in paragraph 39.

40. Paragraph 40 contains legal conclusions and arguments to which no response is required. To the extent a response is required, Samsung denies the allegations in paragraph 40.

2. **The Accused Products**

41. Samsung admits that Samsung Pay can be installed on certain Samsung devices. The remainder of Paragraph 41 contains legal conclusions and arguments to which no response is required. To the extent a response is required, Samsung denies the remainder of the allegations in paragraph 41.

3. **Samsung's Direct Infringement of the Patents-in-Suit⁴**

42. Samsung admits that Exhibit 9 contains the words “an easy way to make purchases on your phone or watch.”; “It turns your device into a digital wallet that carries credit, debit, or gift cards.”; “And don’t worry, you can use biometric security, so no one can access your financial data.”; “Samsung Pay is only available on select phone and watch models”; and “To use Samsung Pay on your smart watch with a non-Samsung phone, you must update to Android 6.0 or higher.” Samsung denies the remainder of the allegations in paragraph 42.

43. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 43 because they are vague and indefinite, including in their

⁴ Samsung denies it directly infringes any claims of any patents-in-suit. Moreover, many of these allegations appear to relate to indirect infringement, which was dismissed by the Court. Such allegations should be stricken. The responses in this section are provided out of an abundance of caution to the extent Proxense inappropriately maintains such allegations.

use of undefined terms such as “utilize Android’s Fingerprint Hardware Interface Definition Language (“HIPL”) to connect its vendor-specific library and fingerprint hardware”) and on that basis denies them.

44. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 44 regarding Fingerprint HAL interaction with Keystore Application Programming Interface and on that basis denies them.

45. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 45 regarding keymaster functions and on that basis denies them.

46. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 46 regarding Fingerprint HAL guidelines and on that basis denies them.

47. Samsung admits that Samsung smartphones use the Android operating systems. Samsung is without knowledge or information sufficient to form a belief as to the truth of the remainder of the allegations of paragraph 47 regarding Trusty and on that basis denies them.

48. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 48 regarding ARM systems and on that basis denies them.

49. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 49 regarding uses for a TEE like Trusty and on that basis denies them.

50. Samsung admits that Exhibit 10 contains the words “With Samsung Pay, each transaction is covered by your bank’s fraud protection and authenticated by your fingerprint, PIN or iris scan.” “Plus, Samsung Knox and tokenization add extra layers of security.” Samsung denies the remainder of the allegations in paragraph 50.

51. Samsung admits that Samsung Pay security levels include fingerprint or iris-scanning authentication, tokenization and Samsung Knox. Samsung denies all remaining allegations in Paragraph 51.

52. Samsung admits that Exhibit 11, which purports to be Knox Platform for Enterprise, Version 1.3.1 (2020), contains the words “Samsung builds upon the Android Keystore by providing a tamper-proof, detection-based lock-down of cryptographic keys and certificates.”; “On Samsung devices, the authentication software doesn’t share or distribute the biometric measurements of any user.”; and “The measurements are stored in a format that can’t be used to reproduce the original biometric, and can only be accessed and decoded within the specific part of the TrustZone that has access to the biometric hardware.” Samsung denies the remainder of the allegations in paragraph 52.

53. Samsung admits that Exhibit 12 contains the words “Start accepting Samsung Pay—a simple way for customers to pay that meets all 2015 EMV security standards.” Samsung is without knowledge or information sufficient to form a belief as to the truth of the rest of the allegations of paragraph 53 and on that basis denies the remainder of the allegations in paragraph 53.

54. Samsung admits that Exhibit 13 purports to be EMVCo Letters of Approval. Samsung is without knowledge or information sufficient to form a belief as to the truth of the rest of the allegations of paragraph 54 and on that basis denies the remainder of the allegations in paragraph 54.

55. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 55 regarding tokenization and on that basis denies them.

56. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 56 regarding EMV payment tokens and on that basis denies them.

57. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 57 regarding the U.S. Payments Forum and on that basis denies them. Samsung does not know where the cited language in paragraph 57 comes from.

58. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 58 regarding provisioning and on that basis denies them.

59. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 59 regarding secure element / integrated circuit card and on that basis denies them.

60. Samsung denies the allegations of paragraph 60 on the basis of them being vague and indefinite for terms such as “biometric verification,” “payment credentials,” and “the location/type of the purchase” and on that basis denies them.

61. Samsung admits that Exhibit 14 purports to be Samsung’s Web Payments Integration Guide and that it contains the words “After selecting the desired merchandise from the merchant’s web site, the user initiates checkout, selects Samsung Pay as the preferred payment method, authenticates with a fingerprint or PIN, and voila — payment complete.”; “When properly implemented, the API also supports editing the billing/shipping address in Samsung Pay and selecting a different enrolled card before approving the transaction with a fingerprint scan or entering a PIN.”. Samsung denies the rest of the allegations of paragraph 61.

62. Samsung denies the allegations of paragraph 62 on the basis of them being vague and indefinite for terms such as “merchant app,” “communicate,” and “general use case.” Samsung does not know where the cited image comes from.

63. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 63 regarding initiating payment and on that basis denies them. Samsung does not know where the cited language in paragraph 63 comes from.

64. Samsung admits that Exhibit 15 purports to be Samsung Pay Reaches One Year Anniversary in the United States, Samsung Newsroom (2016) and that it contains the words “Combining NFC with Samsung’s proprietary MST technologies, Samsung Pay provides consumers a way to pay almost anywhere you can swipe or tap a card at millions of merchant locations.” Samsung admits that Exhibit 16 purports to be Android KitKat and that it contains the words “Android 4.4 introduces new platform support for secure NFC-based transactions through Host Card Emulation (HCE), for payments, loyalty programs, card access, transit passes, and other custom services.”; “Android uses Application Identifiers (AIDs) as defined in ISO/IEC

7816-4 as the basis for routing transactions to the correct Android applications.”; “When the user taps to pay at a point-of-sale terminal, the system extracts the preferred AID and routes the transaction to the correct application. The app reads the transaction data and can use any local or network-based services to verify and then complete the transaction.” Samsung admits that Exhibit 17 purports to be Make an in-store payment with Samsung Pay, Samsung Support and contains the words “To make a payment with your Favorite Cards, swipe up from the bottom of the screen. Then, swipe through and select your preferred card. Tap PIN or IRIS, and then enter the required security information. Or if you have fingerprint security set up, simply place your finger on your phone's fingerprint scanner.” Samsung denies the rest of the allegations of paragraph 64.

65. Samsung admits that Exhibit 18 purports to be Android Open-Source Project: Fingerprint HIDL and contains the words “The fingerprint sensor of a device is generally idle. However, in response to a call to authenticate or enroll, the fingerprint sensor listens for a touch (the screen might also wake when a user touches the fingerprint sensor).”; “The vendor-specific library determines if there is a fingerprint match in the current set of enrolled fingerprint templates.” Samsung denies the rest of the allegations of paragraph 65.

66. Samsung admits that Exhibit 19 purports to be EMV Payment Tokenization Primer and Lessons Learned, U.S. Payments Forum (2019). Samsung denies that it contains the phrase cited in paragraph 66 and denies the rest of the allegations of paragraph 66.

67. Samsung admits that Exhibit 20 purports to be EMV Payment Tokenisation Specification: Technical Framework, v2.2 (2020) and that it contains a Figure 10.1 and a Table 10.1. Samsung denies the rest of the allegations of paragraph 67.

68. Samsung admits that Exhibit 20 purports to be EMV Payment Tokenisation Specification: Technical Framework, v2.2 (2020) and that it contains a Figure 10.1 and a Table 10.3. Samsung denies the rest of the allegations of paragraph 68.

69. Samsung admits that Exhibit 20 purports to be EMV Payment Tokenisation Specification: Technical Framework, v2.2 (2020) and that it contains the words “The Token

Authorisation request process continues until DeTokenisation has been completed” and “Token Service Providers are responsible for a number of discrete functions which may include, but are not limited to: Maintenance and operation of a Token Vault; … De-Tokenisation and Tokenisation.” Samsung admits that Exhibit 19 purports to be EMV Payment Tokenization Primer and Lessons Learned, U.S. Payments Forum (2019) and that it contains Figure 5. Samsung denies the rest of the allegations of paragraph 69.

70. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 70 regarding maintaining the token vault and providing de-tokenisation and on that basis denies them. Samsung does not know where the cited language in paragraph 70 comes from.

71. Samsung admits that Exhibit 20 contains the words “The process of converting a Payment Token and Token Expiry Date to its underlying PAN and PAN Expiry Date based on the Payment Token / Token Expiry Date mapping to the underlying PAN / PAN Expiry Date stored in the Token Vault” and “The Payment Token SHALL be de-tokenised to the underlying PAN in the incoming Token Authorisation prior to sending the PAN Authorisation to the Card Issuer.” Samsung denies the rest of the allegations of paragraph 71.

72. Samsung admits that Exhibit 21 purports to be Samsung Pay Developers Onboarding and Project Integration Guide: In-App Payments for Merchants, Doc Rev 3.1-US (2017). Samsung denies that it contains the cited phrase. Samsung denies the rest of the allegations of paragraph 72.

73. Samsung admits that Exhibit 19 purports to be EMV Payment Tokenization Primer and Lessons Learned, U.S. Payments Forum (2019) and that it contains the words “In a contactless payment transaction, the consumer holds the contactless card, device, or mobile phone in close proximity (less than 2-4 inches) to the terminal and the payment account information is communicated wirelessly (via radio frequency [RF]) or NFC.” Samsung does not know where the citation in the first sentence comes from. Samsung denies the rest of the allegations of paragraph 73.

74. Samsung admits that Exhibit 19 purports to be EMV Payment Tokenization Primer and Lessons Learned, U.S. Payments Forum (2019) and that it contains Figures 6, 7, and 11. Samsung admits that Exhibit 23 purports to be View recent transactions in Samsung Pay and contains the words “You'll also receive a push notification with details of your transaction after each purchase.” Samsung denies the rest of the allegations of paragraph 74.

75. Samsung does not know where the cited phrase nor the cited image come from in paragraph 75. Terms such as “Galaxy Watch series also integrates with Samsung Pay” are vague and undefined. Samsung denies the rest of the allegations of paragraph 75.

76. Samsung admits that Exhibit 24 contains the words “To access all its fun and useful features, you'll want to connect your smart watch to your phone using the Galaxy Wearable app.” Samsung denies the rest of the allegations of paragraph 76.

77. Samsung admits that the Galaxy S21 smartphone model contains the Qualcomm Snapdragon 888. Samsung denies the rest of the allegations of paragraph 77.

78. Samsung is without knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 78 regarding SoC interfaces and on that basis denies them.

79. Samsung admits that Exhibit 25 purports to be Samsung Security Solutions, Embedded security keeps mobiles safe and that it contains the words “generating an unclonable key and a security-enhanced processing unit, Samsung eSE secures sensitive data and protects against digital attack.” Samsung denies the rest of the allegations of paragraph 79.

80. Paragraph 80 contains legal conclusions and arguments to which no response is required. To the extent a response is required, Samsung denies the allegations in paragraph 80.

81. Paragraph 81 contains legal conclusions and arguments to which no response is required. To the extent a response is required, Samsung denies the allegations in paragraph 81.

4. **Samsung's Indirect Infringement of the Patents-in-Suit⁵**

⁵ This section should be stricken in its entirety, as the Court has ordered that indirect infringement has been dismissed. Out of an abundance of caution, Samsung denies it indirectly infringes any claims.

82. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

83. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

84. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

85. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

86. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

87. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

88. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

89. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

90. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

91. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

92. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

CLAIM 1

(INFRINGEMENT OF 730 PATENT)⁶

93. As to paragraph 93, Samsung reasserts and incorporates its responses to all preceding paragraphs.

94. Paragraph 94 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 94.

95. Paragraph 95 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 95.

96. Samsung denies the allegations of Paragraph 96.

97. Samsung denies the allegations of Paragraph 97.

98. Samsung denies the allegations of Paragraph 98.

99. Samsung denies the allegations of Paragraph 99.

100. Samsung denies the allegations of Paragraph 100.

101. Samsung denies the allegations of Paragraph 101.

102. Samsung denies the allegations of Paragraph 102.

103. Samsung denies the allegations of Paragraph 103.

104. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

105. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

106. Paragraph 106 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 106.

107. Paragraph 107 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 107.

⁶ Samsung denies it infringes the '730 Patent. Some of the allegations in this paragraph relate to indirect infringement, which has been dismissed by the Court, Samsung provides responses out of an abundance of caution to the extent Proxense inappropriately maintains such allegations.

108. Paragraph 108 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 108.

CLAIM 2

(INFRINGEMENT OF 905 PATENT)⁷

109. As to paragraph 109, Samsung reasserts and incorporates its responses to all preceding paragraphs.

110. Paragraph 110 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 110.

111. Paragraph 111 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 111.

112. Samsung denies the allegations of Paragraph 112.

113. Samsung denies the allegations of Paragraph 113.

114. Samsung denies the allegations of Paragraph 114.

115. Samsung denies the allegations of Paragraph 115.

116. Samsung denies the allegations of Paragraph 116.

117. Samsung denies the allegations of Paragraph 117.

118. Samsung denies the allegations of Paragraph 118.

119. Samsung denies the allegations of Paragraph 119.

120. Samsung denies the allegations of Paragraph 120.

121. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

122. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

⁷ Samsung denies it infringes the '905 Patent. Some of the allegations in this paragraph relate to indirect infringement, which has been dismissed by the Court, Samsung provides responses out of an abundance of caution to the extent Proxense inappropriately maintains such allegations.

123. Paragraph 123 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 123.

124. Paragraph 124 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 124.

125. Paragraph 125 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 125.

CLAIM 3

(INFRINGEMENT OF 989 PATENT)⁸

126. As to paragraph 126, Samsung reasserts and incorporates its responses to all preceding paragraphs.

127. Paragraph 127 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 127.

128. Paragraph 128 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 128.

129. Samsung denies the allegations of Paragraph 129.

130. Samsung denies the allegations of Paragraph 130.

131. Samsung denies the allegations of Paragraph 131.

132. Samsung denies the allegations of Paragraph 132.

133. Samsung denies the allegations of Paragraph 133.

134. Samsung denies the allegations of Paragraph 134.

135. Samsung denies the allegations of Paragraph 135.

136. Samsung denies the allegations of Paragraph 136.

137. Samsung denies the allegations of Paragraph 137.

138. Samsung denies the allegations of Paragraph 138.

⁸ Samsung denies it infringes the '989 Patent. Some of the allegations in this paragraph relate to indirect infringement, which has been dismissed by the Court, Samsung provides responses out of an abundance of caution to the extent Proxense inappropriately maintains such allegations.

139. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

140. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

141. Paragraph 141 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 141.

142. Paragraph 142 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 142.

143. Paragraph 143 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 143.

CLAIM 4

(INFRINGEMENT OF 188 PATENT)⁹

144. As to paragraph 144, Samsung reasserts and incorporates its responses to all preceding paragraphs .

145. Paragraph 145 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 145.

146. Paragraph 146 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 146.

147. Paragraph 147 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 147.

148. Samsung denies the allegations of Paragraph 148.

149. Samsung denies the allegations of Paragraph 149.

150. Samsung denies the allegations of Paragraph 150.

151. Samsung denies the allegations of Paragraph 151.

⁹ Samsung denies it infringes the '188 Patent. Some of the allegations in this paragraph relate to indirect infringement, which has been dismissed by the Court, Samsung provides responses out of an abundance of caution to the extent Proxense inappropriately maintains such allegations.

152. Samsung denies the allegations of Paragraph 152.

153. Samsung denies the allegations of Paragraph 153.

154. Samsung denies the allegations of Paragraph 154.

155. Samsung denies the allegations of Paragraph 155.

156. Samsung denies the allegations of Paragraph 156.

157. Samsung denies the allegations of Paragraph 157.

158. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

159. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

160. Paragraph 160 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 160.

161. Paragraph 161 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 161.

162. Paragraph 162 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 162.

CLAIM 5

(INFRINGEMENT OF 700 PATENT)¹⁰

163. As to paragraph 163, Samsung reasserts and incorporates its responses to all preceding paragraphs.

164. Paragraph 164 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 164.

165. Paragraph 165 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 165.

¹⁰ Samsung denies it infringes the '700 Patent. Some of the allegations in this paragraph relate to indirect infringement, which has been dismissed by the Court, Samsung provides responses out of an abundance of caution to the extent Proxense inappropriately maintains such allegations.

166. Paragraph 166 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 166.

167. Samsung denies the allegations of Paragraph 167.

168. Samsung denies the allegations of Paragraph 168.

169. Samsung denies the allegations of Paragraph 169.

170. Samsung denies the allegations of Paragraph 170.

171. Samsung denies the allegations of Paragraph 171.

172. Samsung denies the allegations of Paragraph 172.

173. Samsung denies the allegations of Paragraph 173.

174. Samsung denies the allegations of Paragraph 174.

175. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

176. The Court has dismissed Proxense's allegations of indirect infringement. To the extent a response is required, Samsung denies the allegations in this paragraph.

177. Paragraph 177 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 177.

178. Paragraph 178 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 178.

179. Paragraph 179 contains a legal conclusion to which no response is required. To the extent a response is required, Samsung denies the allegations of Paragraph 179.

JURY DEMAND

This paragraph sets forth Proxense's jury demand and requires no response.

PRAYER FOR RELIEF

Samsung denies that Proxense is entitled to any relief whatsoever, including all relief requested in Proxense's "Prayer for Relief." To the extent any statement in the Relief Requested is deemed factual, it is denied.

* * * * *

GENERAL DENIAL

Samsung denies each and every allegation of the Complaint that is not specifically admitted herein.

DEFENSES

1. Subject to the responses above, Samsung alleges and asserts the following defenses in response to the allegations, undertaking the burden of proof only as to those defenses deemed affirmative defenses by law, regardless of how such defenses are denominated herein. In addition to the defenses described below, subject to its responses above, Samsung specifically reserves all rights to allege additional defenses that become known at a later date.

FIRST DEFENSE – NON-INFRINGEMENT

2. Samsung does not infringe and has not infringed, either literally or under the doctrine of equivalents, indirectly, by inducement or contributory infringement, and is not liable for infringement of any kind of any valid and enforceable claim of the U.S. Patent Nos. 8,352,730, 9,049,188, 9,235,700, 9,298,905, and 10,698,989 ("the Asserted Patents") including under the reverse doctrine of equivalents.

SECOND DEFENSE - INVALIDITY

3. The claims of the Asserted Patents are invalid and unenforceable under 35 U.S.C. § 101 because the claims are directed to abstract ideas of other non-statutory subject matter.

4. The claims of the Asserted Patents are invalid and unenforceable under 35 U.S.C. § 102 because the claims lack novelty, and are taught and suggested by the prior art.

5. The claims of the Asserted Patents are invalid and unenforceable under 35 U.S.C. § 103 because the claims are obvious in view of the prior art.

6. The claims of the Asserted Patents are invalid and unenforceable for failure to satisfy the conditions set forth in 35 U.S.C. § 112, including failure of written description, lack of enablement, and claim indefiniteness.

THIRD DEFENSE - FAILURE TO STATE A CLAIM

7. Proxense's Amended Complaint fails to state a claim on which relief may be granted.

FOURTH DEFENSE – ESTOPPEL, DISCLAIMER, & WAIVER

8. Proxense's claims are barred, in whole or in part, by equitable doctrines, such as laches, estoppel and/or unclean hands, based upon, inter alia, Proxense's delay in pursuing its claims/causes of action against Samsung. More specifically, Proxense knew or should have known of the allegedly infringing activities of Samsung for many years prior to the filing of the Complaints against those companies. The delay in taking legal action was so long as to constitute equitable estoppel and/or laches so as to bar all or some relief.

FIFTH DEFENSE – LIMITATIONS ON PATENT DAMAGES

9. Proxense's claims for damages, if any, against Samsung for alleged infringement of the Asserted Patents are limited by 35 U.S.C. §§ 286, 287, and/or 288.

SIXTH DEFENSE – NO IRREPARABLE HARM

10. Although Proxense has not pled that an injunction in any form would be a proper remedy, and therefore has waived it, to the extent Proxense later contends that it is entitled to such remedy, Proxense is not entitled to any form of injunctive relief because Proxense has not

suffered and will not suffer irreparable harm due to Samsung's alleged infringement and has an adequate remedy at law.

SEVENTH DEFENSE – EXPRESS, IMPLIED LICENSE, & EXHAUSTION

11. Proxense's claims are barred, in whole or in part, by the doctrines of license, implied license, and/or exhaustion, including to the extent that any of the allegedly infringing conduct is premised on or related to products made, sold, used, imported, or provided by any licensed entity (whether express or implied) to the Asserted Patents or related patent(s).

EIGHTH DEFENSE – PROSECUTION HISTORY ESTOPPEL

12. By reason of statements, representations, concessions, admissions, arguments, and/or amendments, whether explicit or implicit, made by or on behalf of the applicants during the prosecution of the patent applications that led to the issuance of the Asserted Patents, Proxense's claims of patent infringement are barred in whole or in part by the doctrine of prosecution history estoppel. To the extent Proxense's alleged claim for infringement of any of the Asserted Patents is based on the doctrine of equivalents, Proxense is barred under the doctrine of prosecution history estoppel and/or other limits to the doctrine of equivalents, and Proxense is estopped from claiming that the asserted patents cover any accused method, system, and/or product.

NINTH DEFENSE – LACK OF STANDING

13. Proxense has not proven that it owns the Asserted Patents, and until Proxense proves such, Proxense's claims against Samsung are barred because Proxense has not proven that it has standing to assert the Asserted Patents.

TENTH DEFENSE – ACTIONS OF OTHERS

14. Proxense's claims are barred, in whole or in part, because Samsung is not liable for the acts of others over whom it has no control.

ELEVENTH DEFENSE – NO CAUSATION

15. Proxense's claims are barred, in whole or in part, because Proxense's damages, if any, were not caused by Samsung.

TWELFTH DEFENSE – NO EXCEPTIONAL CASE

16. Proxense cannot prove that this is an exceptional case justifying an award of attorneys' fees against Samsung pursuant to 35 U.S.C. § 285.

THIRTEENTH DEFENSE – NO WILLFUL INFRINGEMENT

17. Proxense is not entitled to enhanced damages under 35 U.S.C. § 284 because Proxense has failed to meet, and cannot meet as a matter of law, the requirements for willful infringement.

FOURTEENTH DEFENSE – GOVERNMENT SALES

18. Proxense's claims for relief and prayer for damages are limited by 28 U.S.C. § 1498.

FIFTEENTH DEFENSE – FAILURE TO MARK

19. Proxense is limited in its right to seek damages due to a failure to mark products covered by any of the Asserted Patents including, but not limited, to products covered by any of the Asserted Patents made, used, offered for sale, or sold by Proxense, and prior and current assignees and licensees of any of the Asserted Patents.

* * * * *

RESERVATION OF DEFENSES

Discovery in this action is ongoing and Samsung continues to investigate the allegations set forth in the First Amended Complaint. Samsung hereby provides explicit notice to Proxense that it intends to rely upon such other defenses as may become available by law or in equity, or

pursuant to statute, as discovery proceeds in this action, and hereby reserves the right to assert such additional defenses.

DEMAND FOR JURY TRIAL

20. Samsung respectfully requests a jury trial on issues so triable by right.

REQUEST FOR RELIEF

WHEREFORE, Samsung respectfully requests that the Court enter judgment in its favor and against Proxense as follows:

1. Dismissing, with prejudice, Proxense claims against Samsung;
2. Denying all relief that Proxense seeks in its First Amended Complaint;
3. Finding this case to be exceptional under 35 U.S.C. § 285 and awarding Samsung its costs and attorneys' fees;
4. Awarding Samsung its costs, expenses, disbursements, and attorneys' fees incurred in connection with this action; and
5. Awarding any other relief the Court deems just and equitable.

Dated: May 2, 2022

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CERTIFICATE OF SERVICE

Pursuant to the Federal Rules of Civil Procedure and Local Rule CV-5, I hereby certify that, on May 2, 2022, all counsel of record who have appeared in this case are being served with a copy of the foregoing via the Court's CM/ECF system.

Dated: May 2, 2022

/s/ Victoria F. Maroulis
Victoria F. Maroulis